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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Letter dated 30 June 2004 from the Permanent Representative of Oman to the United Nations addressed to the secretariat of the Committee

With reference to Security Council resolution 1267 (1999) and subsequent resolutions including Security Council resolution 1455 (2003), concerning Al-Qaida and the Taliban and associated individuals and entities, I have the honour to transmit herewith the final report submitted by the Government of the Sultanate of Oman in the light of the recent guidelines provided by the Committee to this Mission, particularly those contained in paragraphs 6 and 12 of resolution 1455 (2003).

(*Signed*) Fuad **Al-Hinai**
Ambassador
Permanent Representative

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Annex to the letter dated 30 June 2004 from the Permanent Representative of Oman to the United Nations addressed to the secretariat of the Committee

[Original: Arabic]

Report submitted by Oman, pursuant to Security Council resolution 1455 (2003), to the Security Council Committee established pursuant to resolution 1267 (1999)

The Sultanate of Oman, in keeping with its consistent, strong desire to condemn terrorism in all its forms and its commitment to all General Assembly and Security Council resolutions on counter-terrorism, reiterates its support for international efforts against terrorism and stresses the need for the international community to adopt any and all measures for coping with and counteracting that phenomenon and to endeavour to reach international agreement on the treatment of its causes, with a view to achieving the United Nations objective of establishing peace, stability and security all over the world.

Oman expresses its readiness to cooperate with the United Nations in combating this phenomenon in accordance with the rules of international law and the fundamental axioms concerning national sovereignty and the need to distinguish between terrorism and legitimate resistance to foreign occupation with a view to realizing the principles of right and justice.

Oman has the pleasure to submit to the Committee, in compliance with article 6 of Security Council resolution 1455 (2003), the following report on action taken and efforts made in the area of counter-terrorism.

I. Introduction

1. Please provide a description of activities, if any, by Osama bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country, as well as likely trends.

To date, no activities of Osama bin Laden, Al-Qaida, the Taliban or their associates have been confirmed in Oman. While Oman is convinced of the possible dangers of terrorist acts, no indications of such activities exist.

II. Consolidated list

2. How has the 1267 Committee's list been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

The list has been incorporated by being circulated to the authorities mentioned in connection with their respective fields of work.

3. Have you encountered any problems with implementation with regard to the names and the verification of the information currently included in the list? If so, please describe these problems.

Yes, sometimes the names are incomplete and passport numbers and addresses are not specified.

4. Have the authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.

No, the competent authorities have not, to date, recognized any designated entities or individuals.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Osama bin Laden or members of the Taliban or Al-Qaida that have not been included in the list, unless to do so would compromise investigations or enforcement actions.

The competent authorities are not in possession of any other names.

6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings against your authorities for inclusion in the list? Please specify and elaborate, as appropriate.

This has not occurred, owing to the fact that there are no such entities or individuals in the territory of the Sultanate.

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the list? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

None of the listed individuals have been identified as nationals or residents of the Sultanate, nor is there any similar information on listed entities.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country.

This aspect has been dealt with in the report from Oman submitted to the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism and circulated as Security Council document S/2002/87/Add.1, of 27 June 2002. Reference may be made to the response relating to operative paragraph 2 (a) of the resolution, contained in that report.

III. Freezing of financial and economic assets

Under the sanctions regime (paragraph 4 (b) of resolution 1267 (1999) and paragraphs 1 and 2 (a) of resolution 1390 (2002)), States are to freeze without delay the funds and other financial assets or economic resources of the listed individuals and entities, including funds derived from property owned or controlled, directly or

indirectly, by them or by persons acting on their behalf or at their direction, and ensure that neither these nor any other funds, financial assets or economic resources are made available, directly or indirectly, for such persons' benefit, by their nationals or by any persons within their territory.

NOTE: For the purpose of implementation of the financial prohibitions in this sanctions regime, "economic resources" is defined to mean assets of every kind, whether tangible or intangible, movable or immovable.

9. Please describe briefly:

– The domestic legal basis to implement the asset freeze required by the resolutions above

The Money-laundering Act, promulgated by Royal Decree No. 34/2002, constitutes the domestic legal basis for implementing the freezing of assets in the Sultanate of Oman.

– Any impediments under your domestic law in this context and steps taken to address them

Up to now there have been no impediments that would hinder the freezing of assets under Omani domestic law.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Osama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

The mechanisms in use in the banking and financial fields for identifying financial networks belonging to Osama bin Laden, Al-Qaida or the Taliban or networks or organizations connected with them rely on the consolidated lists issued by the Security Council Committee, in which the names of individuals and organizations are specified. Banks and financial institutions monitor any financial movements or banking activities connected with the names of such networks and immediately report their findings to the monitoring bodies and the competent authorities.

Banks and financial institutions also make use of another mechanism in ascertaining suspicious operations connected specifically with money-laundering. The mechanism relies basically on the "know your customer" principle, the monitoring of transactions devoid of economic value and those characterized by inadequate information and the study and monitoring of operations that are connected with large deposits/withdrawals, repeated or not in keeping with the customer's income.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Osama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any "due diligence" or "know your customer" requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.

(a) All banks and financial institutions in Oman are required to keep in their records copies of the consolidated lists of names of individuals, institutions and entities belonging to or associated with the Taliban and Al-Qaida issued by the Security Council, certified by the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) and circulated by the Central Bank of Oman. There are no agencies responsible for oversight other than the concerned official agencies of the State.

On the basis of consolidated lists issued by the Security Council Committee and pursuant to instructions from the Central Bank of Oman, banks and financial institutions oversee domestic and foreign transfers, freeze any and all accounts and deposits in the name of individuals or organizations included in the lists, refrain from providing them with any banking or financial facilities and report immediately to the oversight bodies and the competent authorities the detection or observation of any financial transactions of such individuals or organizations.

(b) Banks and financial institutions are required to apply the "know your customer" principle and to operate in accordance with articles 4 and 5 of the Money-laundering Act, promulgated by Royal Decree No. 34/2002 and referred to above.

Article 4 of the Act provides as follows:

> Institutions and natural and artificial persons are under obligation to verify the identity and addresses of customers in accordance with the instructions issued by the competent oversight authority before opening customer accounts, receiving for safe keeping customers' documents, licences or securities, assigning any safe-deposit boxes to them or engaging in any business relations with them.

Article 5 provides:

> Institutions are under obligation to preserve the documents and papers relating to the identity and addresses of customers and the record of transactions for a period of not less than 10 years from the date following that on which the transaction ended or the accounts were closed and the business relationship terminated, whichever is later.

12. Resolution 1455 (2003) calls on Member States to provide "a comprehensive summary of frozen assets of listed individuals and entities". Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002). Please include, to the extent possible, in each listing the following information:

– Identification(s) of the person or entities whose assets have been frozen;

– A description of the nature of the assets frozen (i.e., bank deposits, securities, business assets, precious commodities, real estate property and other assets);

– The value of assets frozen.

There are no frozen assets of listed individuals or entities in Oman.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Osama bin Laden or members of Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

No funds, financial assets or economic assets have been frozen as being related to Osama bin Laden or members of Al-Qaida or the Taliban or associated individuals or entities due to the fact that no financial activities connected with them have been encountered in the Sultanate.

14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities. This section should include a description of:

- **The methodology, if any, used to inform banks and other financial institutions of the restrictions placed upon individuals or entities listed by the Committee, or who have otherwise been identified as members or associates of Al-Qaida or the Taliban. This section should include an indication of the types of institutions informed and the methods used;**
- **Required bank-reporting procedures, if any, including the use of Suspicious Transaction Reports (STR), and how such reports are reviewed and evaluated;**
- **Requirements, if any, placed on financial institutions other than banks to provide STR, and how such reports are reviewed and evaluated;**
- **Restrictions or regulations, if any, placed on the movement of mineral commodities such as gold, diamonds and other related items;**
- **Restrictions or regulations, if any, applicable to alternate remittance systems such as — or similar to — "hawala", as well as on charities, cultural and other non-profit organizations engaged in the collection and disbursement of funds for social or charitable purposes.**

The mechanism employed by the Central Bank of Oman to inform banks and money-changing, financial and leasing institutions placed under its supervision and control can be summarized as follows: from time to time the Central Bank of Oman circulates to all such banking and financial institutions new and amended lists containing the names of individuals and organizations, issued by the Security Council Committee. True copies of the lists are sent to every banking and financial

institution immediately upon their receipt by the Central Bank, together with instructions concerning the required procedures (see paragraph 11 above).

All licensed banks and financial institutions under the supervision of the Central Bank of Oman are required to send their reports on any detected transactions connected with terrorist networks to the Central Bank, which in turn forwards the reports to the Ministry of Foreign Affairs for appropriate action.

Alternate remittance systems similar to "hawala" are not permitted, their practice being strictly prohibited in the Sultanate. Consequently, alternate remittance systems are not an issue in Oman. The entities permitted to engage in remittance activities are the banks and money-changing companies licensed by the Central Bank of Oman.

IV. Travel Ban

Under the sanctions regime, all States must take measures to prevent the entry into or transit through their territories of listed individuals (paragraph 1 of resolution 1455 (2003), paragraph 2 (b) of resolution 1390 (2002)).

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

Article 28 of the Alien Residence Law, promulgated by Royal Decree No. 16/95, provides as follows:

> Every alien must, upon the expiry of his period of residence, leave the Sultanate together with the persons accompanying him unless he has previously obtained renewal of that residence. Notwithstanding, an alien shall be prohibited from leaving the Sultanate, if an enforceable judgement, apprehension and arraignment order or arrest warrant has been issued against him or an order prohibiting him from travelling has been issued by the competent judicial authority, until the execution of the judgement or release therefrom or the lifting of the travel ban. An alien may, by decision of the Inspector General, be barred from leaving the Sultanate if he has incurred civil liabilities confirmed by a judgement and the judgement creditor has applied for a ban to prevent him from leaving, which ban shall remain in force until he has satisfied such liabilities or provided a guarantor for the satisfaction thereof.

Article 427 of the Code of Criminal and Commercial Procedure, promulgated by Royal Decree No. 29/2002, provides as follows:

> At any stage of the proceedings the court may, based on an application by the plaintiff, issue an order prohibiting the defendant from travelling outside the Sultanate if there exist serious grounds for fear that he might flee and the alleged claim is known and mature and not subject to any condition and its value is not less than 500 rials, except in the case of legal maintenance. It is a requirement for the issuance of such an order that the plaintiff must put up surety acceptable to the court as a guarantee against any damages suffered by the defendant by reason of the ban on his travel in the event that the plaintiff's allegation is found to be unsubstantiated. The court may conduct a brief investigation prior to issuing the order if it deems the documents in support of the application inadequate. If it issues the travel ban, it may order the deposit

of the defendant's passport for safe keeping by the court and the communication of the travel ban to all the Sultanate's exit/entry points.

Article 428 of the same Code provides as follows:

The travel ban shall remain in force until the extinction of the debtor's liability towards the creditor who applied for its issuance. The court shall order the lifting thereof in the following cases:

(a) Lapse of any of the conditions which must be met in order for the travel ban to be ordered;

(b) Consent of the creditor in writing to the lifting of the order;

(c) Provision by the debtor of a sufficient bank guaranty or a solvent guarantor acceptable to the court;

(d) Deposit by the debtor, with the treasury of the court, of an amount of money equal to the debt, earmarked for the satisfaction of the claim of the creditor upon whose motion the order was issued, such amount being considered garnished by law in favour of the creditor;

(e) Failure of the judgement creditor to commence the enforcement of the judgement handed down in his favour within 30 days from the date on which it becomes enforceable at law.

Article 6 of the Omani Passport Act, promulgated by Royal Decree No. 69/97, provides as follows:

No passport or travel document shall be granted if the applicant therefor is under prosecution as a defendant and there has been issued in respect of him:

...

(c) A judgement or decision prohibiting travel.

Article 66 of the Narcotics and Psychotropic Substances Control Act, promulgated by Royal Decree No. 17/99, provides as follows:

The court shall rule the adoption of one or more of the following measures in the case of a person found guilty more than once of any of the offences provided for in the present Act or cleared of charges on formal grounds despite the existence of evidence of involvement in any of those offences:

...

4. A ban on travel abroad by an Omani for a period equal to the duration of the custodial penalty to which he has been sentenced.

16. Have you included the names of the listed individuals in your national "stop list" or border checkpoint list? Please briefly outline steps taken and any problems encountered.

When lists are received from the Committee, coordination takes place with the competent authorities, which in turn insert the names appearing on those lists in the "blacklist" system, which comprises the names of persons barred from entering the Sultanate in case they attempt to do so.

The problems which we face in that connection have to do with the fact that in many cases the names of persons are incomplete or their passport numbers, addresses or other particulars are lacking, all of which makes it impossible to eliminate ambiguity regarding the identity of listed persons. One must realize that these shortcomings give rise to many problems, embarrassments and legal consequences, inasmuch as persons not even being sought are interrogated when their names are similar to those on the lists.

Consequently, it is extremely important to take these aspects into account in the future with a view to obviating any difficulties or obstacles currently inherent in this matter.

17. How often do you transmit the updated list to your border-control authorities? Do you possess the capability of searching list data using electronic means at all your entry points?

This depends on how often such lists are received from the Committee, since they are forwarded to the border-control authorities upon being received.

As for the capability of searching list data using electronic means at all entry points, such entry points have been equipped with the electronic hardware and other means necessary for that purpose and the task of searching the database for information has been entrusted to employees who have received the requisite training. Moreover, the hardware and the operating software are updated, as is the training of the persons who work with them, in accordance with operating requirements and existing possibilities.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.

To date, no listed individuals have been stopped at any of the Sultanate's border points or while transiting its territory.

19. Please provide an outline of the measures, if any, taken to incorporate the list in the reference database of your consular offices. Have your visa-issuing authorities identified any visa applicant whose name appears on the list?

The list has not been incorporated in the reference database in consular offices. Nevertheless, in the event that a consular office issues visas to persons whose names appear on the list, the entry of those persons into the country, should they attempt to do so at border crossing points, can be prevented due to the fact that the names are included in the database located at those border points.

V. Arms Embargo

Under the sanctions regime, all States are requested to prevent the direct or indirect supply, sale and transfer, to Osama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals and entities associated with them, from their territories or by their nationals outside their territories, of arms and related materiel of all types, including the provision of spare parts and technical advice, assistance, or training related to military activities (paragraph 2 (c) of resolution 1390 (2002) and paragraph 1 of resolution 1455 (2003)).

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Osama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Osama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

22. Please describe how your arms/arms-broker licensing system, if any, can prevent Osama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them from obtaining items included under the arms embargo.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted to/used by Osama bin Laden, members of the Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them?

By way of a comprehensive response to questions 20 to 23 of part V, reference may be made to the Report of the Sultanate of Oman dated 31 July 2003, addressed to the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism and circulated as Security Council document S/2003/790. The related legislative texts and precautionary measures are explained on pages 8 to 13 of the English text (11 to 18 of the Arabic text) of the said report.

VI. Assistance and conclusion

24. Would your State be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

While stressing that it has had no previous experience, the Sultanate will give positive consideration to any request submitted to it in that context, based on the Security Council resolutions and within the limits of the possibilities available to it.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime, and areas in which you believe specific technical-assistance or capacity-building efforts would improve your ability to implement the above sanctions regime.

Reference may be made to the response to question 3 of part II of this report.

26. Please include any additional information you believe pertinent.

There is no pertinent additional information.